

UNITED STATES ATTORNEY'S OFFICE

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**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

In re

ERIN L. SIPLEY,

Debtor.

Chapter 7

Case No. 22-18985-KCF

Judge: Hon. Kathryn C. Ferguson

ERIN L. SIPLEY,

Plaintiff,

Adv. Pro. No. 23-01070-KCF

v.

U.S. DEPARTMENT OF EDUCATION, *et al.*,

Defendants.

ANSWER TO THE COMPLAINT

Defendant, the United States Department of Education ("DOE" or "Defendant") by and through its undersigned counsel answers the Complaint to Determine Dischargeability of Debts ("Complaint") by Debtor and Plaintiff, Erin L. SipleY ("Debtor" or "Plaintiff") as follows:

NATURE OF THE ACTION

1. Admitted.
2. Admitted.
3. With respect to Paragraph 3, DOE is without knowledge or information sufficient to form a belief as to the truth of the allegations. By way of further answer, DOE states on or about September 27, 2022, Plaintiff executed her William D. Ford Direct master consolidation promissory note (“Direct Consolidation Note”) to secure her Direct consolidation loan (“Direct Consolidation Loan”) from DOE. The Direct Consolidation Loan was disbursed in the amounts of \$152,421.60 and \$17,956.88 on October 20, 2022. The Direct Consolidation Loan was made by DOE under the William D. Ford Federal Direct Loan Program under Title IV, Part D of the Higher Education Act of 1965, as amended, 20 U.S.C. 1070 et seq. (34 C.F.R. Part 685). On or about September 27, 2022, Plaintiff applied for a Repayment Plan Request (“RPR”) with DOE. One week later, on or about October 4, 2022, Plaintiff applied for Public Service Loan Forgiveness (“PSLF”) with DOE. To date, DOE has credited a total of \$0.00 in payments from all sources, including Treasury Department offsets, if any, to the balance of the Loans. Altogether, the Plaintiff cumulatively owes DOE \$170,378.48.
4. With respect to Paragraph 4, DOE restates and incorporates its responses to the allegations in Paragraph 3 as if fully set forth herein.
5. With respect to Paragraph 5, DOE restates and incorporates its responses to the allegations in Paragraph 3 as if fully set forth herein.

JURISDICTION AND VENUE

6. Admitted.

7. Admitted.

8. Admitted.

9. Admitted.

PARTIES

10. With respect to Paragraph 10, DOE admits knowledge of Plaintiff's residence at 250 Old Farm Drive, Great Meadows, New Jersey 07838 as listed in Bankruptcy Petition No. 22-18985-KCF.

11. With respect to Paragraph 11, DOE is without knowledge or information sufficient to form a belief as to the truth of the allegations.

12. With respect to Paragraph 12, DOE admits that it is a government entity with multiple office locations.

13. Paragraph 13 is missing from the Complaint and no answer is required.

FACTS COMMON TO ALL COUNTS

14. Admitted.

15. With respect to Paragraph 15, DOE is without knowledge or information sufficient to form a belief as to the truth of the allegations.

16. With respect to Paragraph 16, DOE is without knowledge or information sufficient to form a belief as to the truth of the allegations.

17. With respect to Paragraph 17, DOE is without knowledge or information sufficient to form a belief as to the truth of the allegations.

18. With respect to Paragraph 18, DOE restates and incorporates its responses to the allegations in Paragraph 3 as if fully set forth herein.

19. Paragraph 19 references materials whose contents speak for themselves.

PHILIP R. SELLINGER
United States Attorney

By: /s/ Eamonn O'Hagan
EAMONN O'HAGAN
Assistant U.S. Attorney

*Attorneys for the United States
Department of Education*

Dated: April 27, 2023